GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1987
ANSWERED ON:05.08.2005
TRIMMING NON-PLAN BUDGET
Rana Shri Kashi Ram

Will the Minister of FINANCE be pleased to state:

(a) whether the initiatives to cut down 10 per cent non-plan budget allocation have failed;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the reaction of the Government on this failure?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

(a) to (d) No, Sir. Central Government has initiated several measures to moderate growth in its non-plan expenditure, including issue of guidelines on expenditure management - fiscal prudence and austerity, dated September 24,2004. As a result of these measures, during 2004-05 Central Government`s non-plan expenditure increased by a moderate 4.9 percent over 2003-04 as against growth of 15.7 per cent in 2003-04 and 15.6 per cent in 2002-03. As against Revised Estimates (2004-05) of Rs. 368404 crore, non-plan expenditure as per provisional accounts have been contained at Rs. 366288 crore.